



## **SERVICE/FOUNDATION PROTOCOLS**

### **PURPOSE**

These protocols are established to ensure that the Boards and staff of the Royal District Nursing Service and of the RDNS Foundation

- share a common understanding of matters which influence and affect the work of both organisations,
- are agreed on which organisation has prime carriage of specified functions, and
- are agreed on the processes for handling and resolving matters in which both organisations have an interest

### **OVERVIEW**

The Constitutions of both organisations are the legal bases for describing their respective scope of activities and responsibilities. Both are not-for-profit charitable organisations with tax exempt status derived from their public benevolence activities.

The **Service** is designed to be primarily a service provider to clients and purchasers of its services. It is expected by government funding agencies to expend all monies provided to it solely on service provision or on matters which directly support service provision. It usually cannot carry over unspent funds, nor can it accumulate reserves for capital projects. Although its annual budget is therefore heavily dependent on continuing service agreements with government and other agencies, it also directs funds to disadvantaged clients for whom no specific funding is received.

The **Foundation** is designed to support the Service. It obtains funding from public donations, bequests and support for fundraising activities, and through fundraising retail food sales. It uses its funds to provide accommodation, fleet, research, education, information, asset management, supply management and other services to the Service. It does this through financial arrangements which enable it to support the Service whilst ensuring that its assets are not dissipated.

### **FUNCTIONAL RESPONSIBILITIES**

The attached Main Structure Chart sets out the functional split between the Service and the Foundation.

#### **1. BOARD POLICIES and INTERACTIONS**

The closely parallel course of both organisations requires effective interactions between the Boards. This will largely be achieved through the Constitutional common membership of both Boards. However from time to time it will be desirable for the Boards to jointly discuss matters of common interest and to adopt similar governance policies.

#### ***The Boards agree***

- 1. that a joint meeting be held at least once every twelve months*
- 2. that proposed significant changes to the Governance Charter of each Board will not be made without the other Board's views being taken into account.*

## **2. STRATEGIC PLANS**

Each of the 5 Year Strategic Plans of both organisations needs to be cognisant of the other.

### *The Boards agree*

- 1. that Strategic Planning processes will include points at which checks will be made by both Boards that they are aligned.*
- 2. final Strategic Plans will not be approved by a Board without the other Board's views being taken into account.*

## **3. RDNS BRAND**

The RDNS brand is largely driven by the quality of the service provided by nursing staff, and is effectively owned by the Service. However the Foundation needs to be able to market fundraising activities and products to make best use of its value, without compromising the work of the Service.

### *The Boards agree*

- 1. that the RDNS brand is owned by the Service*
- 2. that major marketing campaigns proposed by the Foundation must be endorsed by the Service prior to commitment*
- 3. that significant changes to logo, signage or other corporate livery will take into account the views of the Foundation Board before approval by the Service Board.*

## **4. COMMON SERVICES**

Foundation staff are legally employed by the Service and automatically assigned to the Foundation, hence the staff of the Service and the Foundation are employed under the same employment conditions, administered by the Human Resources Department of the Service. The financial management of both organisations is administered by the Finance Department of the Service. The information and communications technology systems apply to both organisations, administered by the Information Communications Technology Department.

### *The Boards agree*

- 1. that where common services are applied to staff of both organisations, a single set of operational and administrative policies and procedures will be adopted, under the delegation of the CEO.*

## **5. Chief Executive Officer**

The two organisations are closely linked through their use of common staff, services and systems, and by the need for strategic and operational planning to be closely aligned.

***The Boards agree***

- 1. that there should be a single Chief Executive Officer across both organisations***
- 2. that the CEO should report independently to each Board***
- 3. that a single job description for the CEO should be retained identifying Key Result Areas and Outcome Measures appropriate to each organisation.***
- 4. that performance appraisal of the CEO will be jointly conducted annually by the Chairman of the Service and the President of the Foundation***

**Approved by the Boards November/December 2004**